

MINUTES OF SPECIAL MEETING

BOARD OF SELECTMEN

APRIL 19, 2010

The special meeting of the Board of Selectmen was called to order at 6:15 pm, in the Conference Room 1, at the North Haven Town Hall, 18 Church Street, North Haven, CT.

Members Present

First Selectman, Michael J. Freda
Second Selectman, Timothy M. Doheny
Third Selectman, Stephen A. Fontana

Others Present

Attorney Carl M. Porto
Attorney William A. Ryan

Mr. Freda introduced himself, Tim Doheny - Second Selectmen, and Stephen Fontana - Third Selectman and welcomed those watching on NHTV.

Mr. Freda asked if there were public comments relative to the agenda. Hearing none and seeing none, Mr. Freda continued the meeting with the first item on the agenda. A discussion and motion to approve a collective bargaining agreement that the Town of North Haven has entered into with the North Haven Town Hall Employees for a contract dated July 1, 2009 through June 30, 2012 which has been negotiated between the Town and the Clerical Union.

Mr. Freda stated that in working with this union, beginning in December through January and early February, they have recognized that North Haven has some issues as it relates to budget and finances and he is happy with the fact that they have conceded that over the three (3) year contract the first and second years will be zero percent (0%) increase in salary, and a three percent (3%) increase in salary in the third year.

Mr. Freda noted that Attorney William Ryan, who assisted with the negotiation of the contract, was present this evening and then entertained a discussion and asked for questions.

Mr. Fontana noted that he had several questions. His understanding was that this contract was in negotiation during the second half of last year as well, and he wanted to know how this contract differs now from where negotiations were back then. Mr. Freda stated that when the contract was taken over, it was in mediation and as that process unfolded, there was some language issues that were unresolved, as well as the salary increases. So when it was picked up, he, along with Mr. Ryan, the Union President, and the mediators, had a more crystallized version of what was desired - in particular the zero percent increase over the first two years, and three percent for the third year. He went on to state that they felt during the mediation process that it would be important to the Town to have a zero percent increase for the next two years. The dollar savings on the Town side are significant and give us a little bit of breathing room. He was pleased that the union understood the problems and through the collective bargaining process agreed to the zero increase for first two years.

Mr. Freda noted also that some of the language had been refined during the negotiations and collective bargaining process.

Mr. Fontana asked with regard to pensions, if they were doing defined contribution pensions? Mr. Freda replied that new employees will be provided with defined contribution plans. The employees already employed will continue with defined benefit plans.

Mr. Fontana asked if they would be increasing their healthcare contributions. Mr. Freda replied that when they took over the mediation process, and started negotiating back in early December they had no idea what the Anthem situation would be. So they finalized this without modifying the health benefits, but in their discussions with this union, since we now have been rejected by four (4) carriers, and now know there will be a 28% increase, the union recognizes very clearly that there will be adjustments in the plan design regarding health benefits in the future.

Mr. Fontana then asked if he understood that their contributions toward health benefits would not be increasing. Mr. Freda affirmed he was correct. Mr. Freda also noted that he feels that the two years of zero percent increase will provide us more cost savings than any alterations in health care at this point. Mr. Freda went on to say that there will be a plan design change in the future, because we can not continue to sustain the current plan designs here long term.

Mr. Freda asked if Mr. Doheny had any questions, and he replied that he had two questions, but Mr. Fontana anticipated those, and thanked Mr. Fontana for asking, and Mr. Freda for the answers.

Mr. Doheny made a motion to accept the contract as presented.
Vote: Freda – yes, Doheny – yes, Fontana – yes

Mr. Freda asked to continue on with the second item on the agenda concerning the Ierardi's.

Mr. Doheny made a motion to enter into Executive Session to continue discussion and possible action concerning the resolution of Patricia C. Ierardi and Joseph J. Ierardi and to be briefed by Attorney Porto.

Vote: Freda – yes, Doheny – yes, Fontana – yes

The Selectmen came out of Executive Session at 6:50 pm and resumed the meeting.

Mr. Doheny motioned to enter in a settlement agreement to resolve any and all claims related to Joseph J. and Patricia C. Ierardi upon receipt of payment by the Ierardi's in the amount of \$20,000 to the Town of North Haven, and \$15,000 by the Ierardi's to the North Haven Fuel Bank.

Mr. Fontana thanked Mr. Freda and Attorney Porto for their efforts to secure the additional \$20,000 by the Ierardi's to the Town. He stated however, that he was not convinced at this point that the Ierardi's' have a legal right to the vacation, sick, and personal time issued. He feels that the amount the Town spent to ascertain what had happened with allegations made against the Ierardi's was far in excess of that \$20,000. Because the Ierardi's are not compensating the Town for those expenses, he will be voting no.

Mr. Freda noted that the additional \$20,000 they were able to negotiate as part of the settlement in addition to the \$15,000 the judge remanded the Ierardi's pay to the Town's Fuel Bank totals \$35,000. He stated that this is a sad chapter in North Haven history that he would like to put behind us. Based on the sound advice we have received by Mr. Porto and his firm, and one of the finest labor attorneys in the state of Connecticut who advised us on this case, he is pleased we were able to get the additional \$20,000 and was told very clearly what the ramifications would be if the Town did not do this. He is not inclined to put North Haven at any more risk especially in light of other pending litigation we are facing. He seconded the motion.

Mr. Doheny added that it has been a very emotional time for the Town over the last several years regarding this case and anytime you have a Town employee that potentially breached the public's trust; it is difficult and shocking – just like it was for the three of them. It has gone on for almost three years, and what was proven in the criminal case was very limited, in fact, the Ierardi's were granted accelerated rehabilitation. We have had several open and lively discussions in executive session, and gotten very clear legal advice from our Town Attorney. Although the additional \$20,000 does not cover the Town's expense, he was pleased, although he wishes it could have been more. However, after hearing all

sides of the case he is in support of the motion. He is convinced it is the best we can do, and is convinced if we turn it down we will be putting the Town into another lawsuit costing additional legal fees, Mr. Freda's personal time, and Town resources.

Vote: Freda – yes, Doheny – yes, Fontana – no

Upon motion duly made and seconded, it was VOTED unanimously to adjourn the meeting at 6:50 pm.